

CITY OF WILLIAMS CITY COUNCIL

ANNOTATED MINUTES AGENDA ITEM

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JANUARY 24, 2008
COUNCIL ACTION

I. PROCEDURES:

- A. Call to Order Mayor Edes called the meeting to order at 7:00 p.m.
- B. Roll Call Present were Mayor Ken Edes and Councilmen Don Dent, Andrew Hamby, Bernie Hiemenz (Vice-Mayor), John Moore, Jim Wurgler & Kevin Young.
City Manager Dennis Wells, Assistant City Manager/Finance Director Joe Duffy, Public Works Director Glenn Cornwell, Water and Sewer Superintendent Ron Stilwell, Police Chief Herman Nixon and City Planner/Interim City Clerk Harry Holmes were present from City Staff.
- C. Pledge of Allegiance & Invocation Mayor Edes led the pledge of allegiance and Councilman Hamby offered the invocation.
- D. Adopt Agenda Mayor Edes called for a motion to adopt the agenda. Councilman Young so moved, Councilman Moore seconded and the motion carried 7-0.
- E. Approval of Minutes Councilman Moore moved to approve the minutes of January 10, 2008, Councilman Dent seconded and the motion carried 7-0.

II. PUBLIC PARTICIPATION: None

III. CONSENT AGENDA ITEMS:

- A. Approval of Purchase Orders: J. Duffy There being no desired changes in the consent agenda,
- B. Approval of agreements to provide fuel, maintenance and upkeep of the Williams Housing Authority's vehicle: J. Duffy/Debbie Fuller Councilman Dent moved to approve the consent agenda items, Councilman Hiemenz seconded and the motion carried 7-0.
- C. Approval of \$300 sponsorship of Grand Ole Opry Night requested by Williams Habitat for Humanity: R. Newbold

IV. NON-CONSENT AGENDA ITEMS:

- D. Discussion and decision regarding approval of intergovernmental agreement (IGA) for taxpayer joint audits and for the administration, collection, audit and licensing of transaction privilege tax, use tax, severance tax, jet fuel excise and use tax and rental occupancy tax: J. Duffy Mr. Duffy explained that the IGA was a renewal of an ongoing agreement and that the language in the IGA generally agreed with the previous year's. He added that it was common policy for jurisdictions to share audit results when the business being audited had operations in more than one community.
Councilman Hamby then moved to approve the IGA, Councilman Wurgler seconded and the motion carried 7-0.

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E. Discussion and decision regarding conceptual approvals of a proposed 3-D theater on BNSF property south of the railways and of a proposed driveway easement along the north boundary of City property north of the Visitor Center parking area:
H. Holmes/Paul Fraser

Mr. Holmes introduced Paul Fraser of Blaze Partners, LLC, consultant for MacGillivray Freeman Films (MFF) to speak on behalf of the project.

Mr. Fraser said he was seeking approval in principle for the redesigned theater and for a driveway easement on City property. He said the film would be ready for world-wide distribution in March beginning with premiere showings in New York City and in Washington, D.C. He also reported that negotiations were going well with Staubach Company for a long-term lease of the BNSF parcel. Mr. Fraser also mentioned the market research and land survey results and discussed how the theater design would fit with the Grand Canyon Railway buildings and with the Visitor Center. He said it would conform with City Codes, BNSF requirements and Historic Preservation Commission guidelines. The theater site would be visually integrated with the Visitor Center through a paved walkway, and a third driveway would be added west of the Aquatic Center..

Mr. Fraser presented the latest drawings and discussed the site plan pointing out the building footprint, parking facilities, driveways, landscaped areas, bus loading area, large-vehicle spaces (5), regular parking spaces (77), front setback (50') and screen fence. Turning to the two elevation views, he discussed the sloped roof on the south side, the veranda on the east (front) side wrapping to a portion of the north (railway) side. He also discussed a 3-D relief mural proposed for the north elevation.

In summary, Mr. Fraser said the BNSF site would satisfy his client (MFF) and said the theater would be a world-class attraction. He outlined the benefits to the City of Williams: no cost to the city, new visitors, longer stays, film promotes Williams, more parking spaces (82) than code requires (39), attractive landscaping and more revenue.

Vice-Mayor Hiemenz asked about drainage improvement costs; Mr. Fraser said it would be "on our dime."

Councilman Moore commended the developers for trying hard to make it work. He moved to approve the requested easement in principle, subject to a written agreement to be negotiated between the developers and City staff. Councilman Wurgler seconded the motion. Councilman Dent said the current proposal was a huge improvement and that the theater would be an attraction that would help the downtown. Vice-Mayor Hiemenz added his compliments. The motion carried 7-0.

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F. Discussion and decision regarding Pinnacle One contract extension and WWTP update (tabled from Jan. 10th agenda): D. Wells, R. Stilwell/Steve Playford

Mr. Wells summarized a meeting involving Mr. Stilwell, along with Gary Beach and Steve Playford of Pinnacle One (P1) and four representatives of CDM. He described the meeting as very productive, resulting in new information about the project status and the expected completion date, as well as more clarity concerning a possible change order. In fact, CDM has assured the City that there would be no change order and that the project would be completed per the guaranteed maximum price stated in the contract. Mr. Wells commended P1 and CDM for their cooperation and asked Steve Playford of P1 to comment.

Mr. Playford said he had confidence that CDM was an excellent company and would deliver a high quality plant. He went on to mention the letters P1 had sent to CDM regarding the possible change order and the magnitude of the project delay. He said CDM is committed to and capable of finishing the project so that sewage treatment could begin by July. Mr. Playford said it would be necessary to keep P1 on site longer than planned, and that the extension would cost about \$50,000, with CDM paying half that amount under a penalty clause in the contract. He said P1 should stay until the infrastructure is completed but would not need to be on site for equipment delivery and setup.

Dave Campbell (CDM) explained the remaining construction timeline: infrastructure expected to be complete by early March; process equipment to be set by late April; electrical switchgear delivered and conductors pulled two weeks later; introduction of sewage by late June; and demobilization by August. This would mean the project completion would be 45 work days later than planned. He apologized for the delay due to a design error caused by a missed ADEQ requirement, and said his goal was to finish with a happy customer.

Mayor Edes then asked Ron Stilwell to comment. Mr. Stilwell said that the meeting had accomplished a lot and said he too had confidence in CDM. Mayor Edes said P1 had worked very hard and done a good job, and that Trevor Thomson (CDM) had made a tremendous effort to overcome the obstacles.

Councilman Moore then moved to extend Pinnacle One's contract as requested. Councilman Hiemenz seconded and the motion carried 7-0.

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V. REPORTS & INFORMATIONAL ITEMS

- A. Mayor and Council Mayor Edes reported on the Transportation Conference, saying that there was bad news from the Feds (U.S.D.O.T.) and worse from the State (A.D.O.T.). The bad news was a 43¢ federal gas tax hike; worse news was a proposed vehicle mileage tax (VMT) to counter what has been called the “freight tsunami” – an expected 300% increase in freight traffic. The increased traffic would require two additional lanes on California freeways.
- B. City Manager and Staff Mr. Wells suggested four possible dates for the Council’s annual retreat and Council agreed to have the retreat starting at 8:00 a.m. March 3rd at the Grand Canyon Railway Hotel.
Mr. Duffy informed Council that he had sent a memo concerning utility fund analyses and that he would request a notice of intent at the next meeting.

VI. EXECUTIVE SESSION

Mayor Edes recessed the regular Council Session at 7:50 p.m. for five minutes prior to convening an Executive Session.
Pursuant to A.R.S. #38-431.03(A) (7) and A.R.S. #38-431.03 (A) (3) the City Council met to discuss the purchase, sale or lease of real property as regards a potential well site and to consult with legal counsel.
Mayor Edes then recessed the Executive Session and reconvened the regular Council Session.

VII. ADJOURN

Councilman ??? moved to adjourn, Councilman ??? seconded & the motion carried 7-0. The meeting adjourned at ?::? p.m.

Mayor

ATTEST

City Clerk